

PRESIDENT ROBERT C. DYNES
LIST OF DISCUSSION TOPICS FOR THE MEETING OF
THE ASSEMBLY OF THE ACADEMIC SENATE
WEDNESDAY, MAY 12, 2004

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1. ADVOCACY CAMPAIGN. An unprecedented advocacy campaign on behalf of the University of California has been launched with the goal of making the case for adequate funding for public higher education and the UC system.

To achieve this goal in the coming months and to continue as a long-term campaign on behalf of the University, the Office of the President is working with the ten campuses to better inform decision-makers and the public about the unique promises long delivered by UC. These include the promise of excellence and opportunity for California's high-achieving students; the promise of a vibrant economy resulting from the teaching and research discoveries occurring on UC's ten campuses; and the promise of California retaining its special, and much envied, quality of life.

The central message is this: *Investment in higher education is critical to the economic growth and well-being of California, both now and in the future. Yet, over the last four years, the State has been reducing its financial support for the University of California. We need not only to halt the trend of continuing cuts to UC, but to begin to turn it around.*

This campaign will involve not just UC faculty but also The Regents, industry leaders, alumni, students, parents, staff, and retirees. Indeed, each is integral to a strategy that is designed to fully utilize the strengths and skills of each campus, the Office of the President, and UC's strongest allies.

The plan also will make use of a number of innovative campaign tools. Among them is a new electronic advocacy platform, which will give UC the capacity to send regular e-mail communications to potentially hundreds of thousands of its friends and supporters. These communications will provide the latest news about issues facing the University, and will occasionally request action on the part of alumni, faculty, staff, students, parents, and retirees to write letters, make calls, or even pay visits to key legislators in Sacramento. More information about the campaign can be found at www.UCforCalifornia.org.

2. UC-MANAGED NATIONAL LABORATORIES. The University of California continues to prepare for the upcoming competition for continued management of the national laboratories. While the UC Board of Regents have not made a final decision regarding competition, the Board has given the University the authority to take actions to preserve its options. In April, the University submitted a response to a Department of Energy's (DOE) Request for Information (RFI) expressing the University's interest regarding the Lawrence Berkeley National Laboratory (LBNL) competition. The Board of Regents is expected to make a decision regarding participation in the competitions for LBNL and the other UC-managed laboratories, the Los Alamos and Livermore National Laboratories, following DOE's release of the request for proposals (RFP). The Department of Energy has not released a formal timeline for the Lawrence Livermore National Laboratory (LLNL) competition, but the University expects a final RFP to be released for the Los Alamos National Laboratory (LANL) in late Fall of 2004. The final RFP for the Berkeley laboratory competition is expected by the end of June and for the LANL competition, by late fall.

3. UNDERGRADUATE ADMISSIONS – FALL 2004. In response to the Governor's budget, which called for UC to reduce freshman enrollment by 3,200 students, the University of California admitted fewer freshman students for the Fall 2004 term than last year. As of March 30, 46,923 California freshman applicants were offered admission, a decline of 3,368 (6.7 percent) from the 50,291 freshmen admitted for Fall 2003. Many UC-eligible applicants received alternate offers: 2,661 freshman applicants received offers of winter or spring admission and 1,120 received a referral offer to an engineering program at UC Riverside. New for Fall 2004, 7,600 California applicants who were deemed UC-eligible received a Guaranteed Transfer Option, which provides for their admission to UC after they complete the required lower-division coursework at a California Community College. The Governor has proposed that these students receive fee waivers at the community college; however, this proposal is pending approval by the Legislature. Fall 2004 marks the first time in over four decades that UC has not been able to accommodate all UC-eligible students for entrance as freshmen.

The proportion of underrepresented minority students offered admission increased slightly systemwide, as did the proportion of admitted students who are the first in their family to attend college or who have a low family income. However, because of the overall reduction in admissions offers, all racial and ethnic groups registered systemwide declines in the number of students admitted. There was a drop of 6.7 percent for all students, 15.1 percent for African Americans, 9.2 percent for American Indians, 1.9 percent for Asian Americans, 3.2 percent for Latinos, and 8.4 percent for whites.

The academic quality of the incoming freshman class continues to be outstanding. As admission has become more competitive across the system, the traditional measures of grade point average and test scores have continued to climb.

4. ELIGIBILITY AND ADMISSIONS STUDY GROUP. Since the last meeting of the Academic Assembly, the Eligibility and Admissions Study Group, chartered in October 2003, has completed its work. The Study Group held its fifth and final meeting on March 8 and Study Group Co-Chair and Senior Vice President Bruce Darling reported on the group's findings at the March 18 Regents meeting. I received the Study Group's written report in early April and that report is now available on the University website at http://www.universityofcalifornia.edu/news/compreview/sudygroup_final0404.pdf. I encourage all of you to review the report and its appendices, which contain very useful information about the University's eligibility and admissions policies and processes.

Among the Study Group's most significant recommendations were its unanimous endorsement of current Regents' policy with respect to undergraduate admission and its support of the primary role of the Academic Senate in setting admission policy. In those areas where Study Group members had specific questions, these were without exception referred back to the faculty to address and subsequently report on to the Board of Regents.

As part of its deliberations, the Study Group reviewed analyses prepared by the Office of the President on the role of race and ethnicity as factors in freshman admission policy. Although this research is far from complete, it demonstrates clearly that UC has made a good faith effort to implement Proposition 209. Unfortunately it also demonstrates that African Americans, Latinos, and Native Americans face severe challenges in obtaining the academic preparation necessary to qualify for and be admitted to the University of California. Erasing this gap in preparation and in enrollment at UC will be particularly difficult in the coming years as we face continued

underfunding of K-12 education in California, the reduction and possible elimination of state support for UC outreach programs, rising fees, decreased financial aid, and an increasingly competitive admissions environment on all UC campuses. These issues are of serious concern.

The analysis of the role of race and ethnicity did indicate some small, but persistent, differences in the expected versus actual admission of students of different racial and ethnic backgrounds. On virtually every campus, underrepresented students were admitted at slightly higher rates than expected, while Asian Americans were admitted at slightly lower rates. These differences were most pronounced at Berkeley and UCLA. I have asked Office of the President and campus staff for—and the Study Group has also recommended—additional analysis of these differences. This work is well under way and will be completed no later than October.

Work is also underway in the Academic Senate and at the Office of the President to implement all of the Study Group's recommendations. Some of these—including the development of new eligibility requirements to respond to the upcoming CPEC report on eligibility rates for UC and CSU—will require substantial additional analysis and policy development on the part of BOARS and the full Senate. I want to express my very deep gratitude for the commitment and thoughtful deliberation that BOARS, the Academic Council, the Representative Assembly, and campus faculty admission committees bring to this work, which is so fundamental to the University's nature and its service to the people of California. Consistent with another of the Study Group's findings, I expect within the next six weeks to announce the formation of a successor body to the Study Group and I look forward to the faculty's participation in that group as well.

5. CPEC ELIGIBILITY STUDY. The California Postsecondary Education Commission (CPEC) is finalizing the Eligibility Study for the high school graduating class of 2003. CPEC intends to release the draft report to the public on May 19, which the Commission is expected to formally adopt at its meeting on May 21. The study will provide estimates for UC and CSU of the proportion of the 2003 high school graduating class in California who are eligible for UC and CSU; these data will also be broken down by ethnicity. The CPEC Eligibility Study provides the basis for determining whether the proportion of students who are eligible for admission to UC and CSU is consistent with the California Master Plan for Higher Education.

6. CODE OF CONDUCT FOR TRADEMARK LICENSEES. A Standing Committee for the UC Code of Conduct held its initial meeting on April 15, with a newly constituted membership of faculty, students, and administrators. The committee reviewed its charge and UC's relationship with the Fair Labor Association and the Workers Rights Consortium, and discussed an allegation brought by two students of violations of the code by a vendor to UC.

7. CONSENSUAL RELATIONSHIPS AND SEXUAL HARASSMENT POLICIES. The new systemwide Policy on Conflicts of Interest Created by Consensual Relationships, which deals with consensual relationships other than faculty-student relationships under the Faculty Code of Conduct, has been completed and is pending review and Regents' approval. The policy requires an individual who is in or enters into a consensual relationship with someone over whom he or she has power or authority to eliminate any potential conflict of interest with regard to his or her professional responsibilities. The policy also bans relationships between certain individuals (such as senior manager, coach, direct supervisor) and a student because of the unequal institutional power inherent between them. The review of the systemwide policy on sexual harassment and the procedures for responding to reports of sexual harassment has been completed, and the policy and procedures have been updated to conform to changes in State and

federal law regarding sexual harassment, to clarify existing policy, and to create more consistent procedures on each campus for responding to sexual harassment.

8. EDUCATION FEE WAIVER. I have received a letter from the Academic Council, after consultation with UC's Faculty Welfare Committee, in support of a new proposal for a phased approach to grant education fee waivers over the next few years. The new proposal would change the eligibility requirements (including beginning with partial benefits only for newly recruited faculty), add dependents of decedents and annuitants, and gradually increase the number of faculty and staff eligible for the fee waiver and the amount of the fee waiver. While this proposal still has little likelihood of being implemented in the near future due to the current State budget situation, I have asked staff at the Office of the President to analyze it for cost and tax implications.

9. INFORMATION TECHNOLOGY INITIATIVES.

Effort Reporting System

The Office of the President and five UC campuses (Berkeley, Davis, Los Angeles, San Diego, and San Francisco) will fund development of a reporting system to certify effort devoted to sponsored projects, as required by regulations concerning the use of federal funds. The University currently uses the Personnel Activity Report (PAR) system to satisfy effort reporting requirements. In use since 1982, the PAR system has become outdated from a technology perspective and lacks the functionality to meet changing regulations and conditions. It is entirely paper-based, contains no history or facility to monitor compliance, and does not adequately handle committed cost-sharing effort certification or the National Institutes of Health (NIH) salary cap. Federal government auditors have become more diligent in their review of effort reporting requirements, and, as a result, a number of universities have received large audit disallowances. Recently, UC paid a total of \$2.1 million to settle an NIH salary cap limitation disallowance for the period July 1995 through June 2003. In fiscal year 2001-02, UC received \$2.4 billion in federal contracts and grants funding, and salary expense represents the largest direct cost component in these projects. The new effort reporting system will include capabilities to: eliminate current calculation problems for employees paid in excess of the NIH salary cap; simplify and clarify effort reports and make them available on the Web; capture certifications electronically and automate compliance monitoring activity; record changes and reissue effort reports; maintain historical information and produce ad hoc management reports; and provide mechanisms for documenting and certifying effort-based cost sharing. The Office of the President will lead the 18-month effort reporting system development project in close collaboration with campus management and technical oversight groups.

Systems Access Management

The UC Information Technology Leadership Council (ITLC)—composed of the CIOs or IT directors from each campus, national laboratory, and the Office of the President—has initiated a project to create an infrastructure to support authentication, or verification, of user access to network-based systems and services that are available to the entire University community, such as California Digital Library (CDL) licensed resources, Your Benefits Online (YBO), and UC for Yourself (UCFY). A common authentication strategy across campuses is necessary (1) to comply with legal requirements to eliminate the use of social security numbers to identify people; (2) to comply with the Health Insurance Portability and Accountability Act's (HIPAA) requirements for privacy and authenticated access to patient health information; (3) to reduce the vulnerability of University applications to unauthorized access; and (4) to reduce the need for separate passwords for different systems or Web sites. This federated identity management, or

multi-campus authorization/authentication, approach will use existing campus authentication infrastructures to exchange information among campuses in a secure manner. Through a combination of policy and technology, each campus will be authorized to reveal identifying information about members of its community to systemwide applications and services. The first step in the federated identity management initiative is a pilot project to implement an infrastructure for the Irvine, Los Angeles, and San Diego campuses to make use of CDL licensed resources, YBO, and UCFY. Future phases will accommodate the remaining campuses and incorporate more applications.

Open Source Solutions for Higher Education Software Tools

The Berkeley, Davis, Los Angeles, and Merced campuses have joined the Sakai Open Source Project (<http://www.sakaiproject.org/index.html>) and other campuses are considering joining it. The Sakai Project is a \$6.8 million community source software development project founded by the University of Michigan, Indiana University, MIT, Stanford, the uPortal Consortium, and the Open Knowledge Initiative with the support of the Andrew W. Mellon Foundation. The Sakai Project seeks to develop open-source course management tools and related software for the higher education community. The first release is planned for July 2004. In February, the UC Information Technology Leadership Council sponsored a systemwide forum on open source solutions, including the Sakai Project. Presentations from the forum are available on the ITLC Web site at <http://www.ucop.edu/irc/itlc/meetings/feb04pres.html>

10. RETIREMENT BENEFITS FOR DOMESTIC PARTNERS. The University's retirement plans have been amended such that all survivor benefits for all same sex and opposite sex domestic partners are equivalent to those for spouses of annuitants who retired on or after July 1, 2002. The Office of General Counsel is reviewing any effects, on UC's benefits plans and programs, of new legislation, effective January 1, 2005, which requires equal benefits for state-registered domestic partners. The state registry covers same sex domestic partners and includes opposite sex domestic partners if one or both are at least 62 years old and eligible for Social Security benefits.

11. SEARCHES

UC San Diego Chancellor

On April 12, Marye Anne Fox, a nationally known chemist and academic leader who currently serves as chancellor of North Carolina State University, was appointed the seventh chancellor of the UC San Diego campus by the UC Board of Regents. The committee to advise me on the selection of a new chancellor represented Regents, faculty, staff, students, alumni, and UC San Diego Foundation representatives. The committee reviewed approximately 50 applicants for the position, drawn from a national pool of more than 300 potential candidates.

Fox has served as chancellor of North Carolina State University since 1998 and previously was vice president for research at the University of Texas at Austin. As one of the nation's most distinguished physical organic chemists, she has been elected to membership in the National Academy of Sciences. She also is a member of President Bush's Council of Advisors on Science and Technology and is a recipient of numerous distinguished awards for teaching and research.

Under Fox's leadership as chancellor, North Carolina State saw its national profile rise. Fox presided over major building and fundraising campaigns, the successful development of a public-private research center called Centennial Campus, the hiring of outstanding faculty, and

increases in research spending, patent awards, and private donations.

Fox has published extensively in both chemistry and science policy. In recognition for outstanding performance during her years as a chemistry professor, she has received numerous teaching awards, as well as the Monie Ferst Award, a national honor recognizing outstanding mentoring of graduate students.

More than 50 students have received advanced degrees under her supervision, and more than 100 postdoctoral fellows and sabbatical visitors have worked with her. In addition, Fox has received a long list of research awards from professional societies in the United States and abroad. She holds honorary degrees from universities in France, Northern Ireland, and Spain and has held more than 50 endowed lectureships at universities worldwide.

Fox has served on the Executive Committee of the National Academy of Sciences and has been elected to membership in the American Philosophical Society, as a fellow of the American Academy of Arts and Sciences and the American Association for the Advancement of Science, and as a foreign member of the Royal Academy of Arts and Sciences of Barcelona.

She co-chairs the National Research Council's Government-University-Industry Research Roundtable and is chair of the National Association of Land Grant Colleges and Universities' Commission on Food, Environment, and Renewable Resources. She also serves on numerous scientific advisory boards and local community boards in North Carolina.

Fox, 56, holds a B.S. degree from Notre Dame College, an M.S. from Cleveland State University, and a Ph.D. from Dartmouth College. She spent much of her academic career at the University of Texas, where she also transitioned into academic administration. Fox is the first woman appointed permanent chancellor of UC San Diego. She will begin her new post on August 16.

UC Berkeley Chancellor

In October 2003, Robert M. Berdahl announced his intention to step down as Chancellor of the UC Berkeley campus, effective June 2004. Berdahl has served as Chancellor since July 1997. During his tenure, he oversaw an unprecedented rebuilding of the campus, returned the University's library to national preeminence, reorganized campus leadership to improve undergraduate education, and raised private giving to the highest level in UC Berkeley's history. In January, a committee of Regents, faculty, staff, students, alumni, and UC Berkeley Foundation representatives was formed to advise me in the search for the next Chancellor. The committee's work is nearly completed and I expect to name a new chancellor in June.

Lawrence Berkeley National Laboratory Director

In February, Lawrence Berkeley National Laboratory Director Charles V. Shank announced his intention to leave his position by the end of the year. During his tenure, Shank oversaw tremendous scientific growth and achievement, expanding programs in astrophysics, computing, genomics, and nanoscience, and doubling the Laboratory's budget. He joined the Berkeley Lab and the UC Berkeley faculty in September 1989. A national search for his successor continues and I anticipate naming a new director by early summer.

12. UC MERCED.

Enrollment of the First Students

The campus will open in Fall 2005 with 900 undergraduate and up to 100 graduate students; however, a select group of graduate students is being admitted in Fall 2004. These students are being admitted early mainly to accommodate those who wish to follow their faculty advisors (now UC Merced faculty), but others who are qualified in the following six emphases will also be considered: computer and information systems; environmental systems; quantitative biology; world cultures; molecular sciences and engineering; and social and behavioral science. The campus is in the process of reviewing graduate applications and plans to admit 10-15 students for Fall 2004.

In April, Merced made 7,600 offers of admission to eligible California applicants through the Guaranteed Transfer Offer program (see Undergraduate Admissions – Fall 2004 update above), which provides for their admission to the University after completing required coursework at a California Community College.

Faculty Recruitment

Merced will have 30 faculty on board beginning in fiscal year 2004-05. These faculty were selected among 6,500 applications, and interest in UC Merced remains high as the campus continues its recruitment efforts for the 30 remaining positions to be filled before the campus opens. Profiles of the faculty are available at www.ucmerced.edu.

Sponsored Projects

To date, Merced's faculty have been awarded more than \$7 million in grants, mainly from federal agencies. Another \$13 million in grant proposals is pending. In addition to the faculty awards, the campus has received a \$1.8 million grant from the Small Business Association to serve as the lead center for the Central California region's Small Business Development Centers. The centers make a significant economic impact on the region; in 2003 alone, they facilitated the creation of more than 500 jobs, and sales totaling nearly \$5 million.

Campus Physical Development

The campus continues to take shape as construction proceeds on three academic buildings and a student housing/dining complex. The first campus building to be occupied will be the Central Plant in November 2004, followed by the Classroom Building and the Library. A major effort to coordinate the logistics of moving faculty, staff, and students to the campus site is now underway. Additionally, the campus is beginning to plan for subsequent needs, including a Recreation and Wellness Center and a second student housing project and an additional academic building, the Social Sciences and Management building, within the five-year corridor for new facilities.

Budget

Like other campuses, UC Merced has scaled back its budget plan by a significant degree. Funding for the campus is expected to be 25 percent lower than originally planned. The campus has received strong support from key legislators and constituents in the latest round of budget hearings, which continue into May, and the California Legislative Analyst has reversed her recommendation on Merced and now fully supports the campus' Fall 2005 opening and the \$10 million of funding proposed in the Governor's January budget.

13. VERIP. The Office of the President recognizes that many faculty and staff are eager for some form of voluntary early retirement incentive program (VERIP) under the UC retirement plan, but there are a number of reasons why it does not make sense for the University right now, or even in the next several years:

- UC has been growing and, even considering the state budget constraints, will need to retain the majority of faculty and staff to support the core academic mission. The University is already facing major challenges and costs in recruiting faculty.
- Offering a VERIP, even if only to targeted groups, would represent a significant cost to the UC Retirement Plan (UCRP), and we must be very careful about how much we burden the plan. A recent actuarial analysis found that the likelihood of having to resume contributions to UCRP within the next five years has increased substantially. Funding a VERIP would cause employer and employee contributions to the University's retirement program to begin sooner than would be the case without a VERIP. We are particularly concerned about doing anything that could cause contributions to resume during a time when the state is not providing adequate funding for faculty and staff salary increases.

Therefore, while we certainly understand the wishes of many faculty and staff on this subject, the University will not be offering a UCRP retirement incentive, like the former VERIP programs, for the next three years, and UCOP has no current plans to offer such a program after that time.

14. WILLED BODY PROGRAMS. On March 9, UCLA suspended operations of its willed body program after the director of the program was charged with felony grand theft stemming from the unauthorized sale of cadaveric materials. Since then, I have asked former Governor George Deukmejian, who has extensive administrative and legal experience with California State government and the UC Board of Regents, to chair an examination of UC's willed body programs.

Governor Deukmejian will be joined by Michael Drake, UC vice president for health affairs. Governor Deukmejian will review operations at willed body programs at UC Davis, UC Irvine, UCLA, UC San Diego, and UC San Francisco, and hold public informational hearings this summer to receive comment from a wide variety of experts, stakeholders, and concerned citizens. A report is expected by the end of the year.

An internal work group chaired by Vice President Drake is meeting regularly. This group has reviewed the policies and procedures of existing UC willed body programs; surveyed several other medical schools; and consulted with leadership of the American Association of Clinical Anatomists regarding best practices nationally. An internal audit of existing programs has been conducted by University Auditor Patrick Reed, focusing on program inventory, facilities, security, record-keeping, business operations, and other aspects of UC's programs. These areas will continue to be a central focus of the ongoing review.